



Utah Labor Market Report

February 2002, Volume 12, Number 1

Current Indicators

Utah's unemployment rate for December 2001 jumped to 5.3 percent from November's revised 4.5 percent and is at its highest level since March 1992. Layoffs continue to push up the unemployment rate. One reflection of this is the 80-percent jump in the number of weeks of unemployment insurance claimed through DWS for mid-December compared to the same period in 2000. In December 2001, nearly 60,000 Utahns were unemployed, a 65-percent leap from the 36,200 of a year earlier, when the rate was 3.2 percent.

Utah's other primary indicator of current labor market conditions, the year-over rate of change in the number of nonfarm wage and salaried jobs, plummeted during 2001. December 2001's **1.5-percent loss** (according to revised estimates) contrasts greatly with December 2000's 2.5-percent gain. That's a swing of 3.9 points in a 12-month period. Utah is seeing its slowest employment expansion since 1982. Between December 2000 and December 2001, Utah suffered a net loss of 16,600 nonfarm jobs. To put this loss into context, Utah's historical average growth rate of 3.5 percent would have produced 38,000 new jobs.

For the United States, the unemployment rate edged up from 5.6 percent in November to 5.8 in December, its highest level since October 1994. Correspondingly, the U.S. nonfarm jobs total dropped by 0.8 percent year-over. This is the third month in a row to show a year-over loss in jobs; the last time the U.S. lost jobs year-over was in 1992. Interestingly, only 19 months ago, U.S. job growth was 2.7 percent.

Bob Gross, Executive Director of the Utah Department of Workforce Services, observed, "Despite today's gloomy news, some positive signs in certain sectors of the national economy suggest that recovery is not far off. Locally, we do anticipate improvement in the retail and services divisions during the next few weeks as Utah hosts the world for the Olympic Winter Games."

Industry-by-Industry

Through most of 2001, construction was a bright spot in Utah's dimming economy. For this reason, employment in the construction industry remained surprisingly resilient. Although down slightly January through July from the comparable months of 2000, August through November 2001 actually exceeded the year-earlier levels. However, with the completion of many commercial projects and the severe winter weather that arrived in December, about 300 fewer construction jobs existed in December 2001 than in December 2000, a loss of 0.4 percent.

During 2000 and most of 1999, employment in Utah's services division grew more rapidly than that of any other division. Through this period, business services were the leading job-producing activities. But the economic slowdown hit this area hard, and, beginning in February 2001, its year-over job growth had slowed sharply. In fact, the December estimates show a year-over loss of 8,900 business-services jobs (about 9 percent). Most other services categories also slowed, and this largest of Utah's industrial divisions lost 4,600 net jobs, a drop of 1.4 percent.

The finance/insurance/real estate industry group is Utah's only private (non-government) division to gain employment year-over. Its 2.4-percent job growth reflects 1,400 new positions. Credit institutions were primarily responsible for this gain.

The recession for Utah's manufacturing division is deepening. Layoffs in the steel industry added to the year-over losses from other manufacturing pursuits; 8,500 fewer jobs (6.5 percent) are the result. This performance is similar to the U.S. manufacturing division's loss of 7.2 percent of its jobs December-to-December.

The consolidated trade division (wholesale plus retail) is Utah's second-largest division with nearly one-fourth of the jobs. However, it lost 6,900 net jobs in the past 12 months, a decline of 2.6 percent. Meager gains occurred with auto dealers/gas stations and eating/drinking places; all other trade industries lost jobs.

Employment cutbacks in the various transportation industries, in communications, and in the electric, gas,

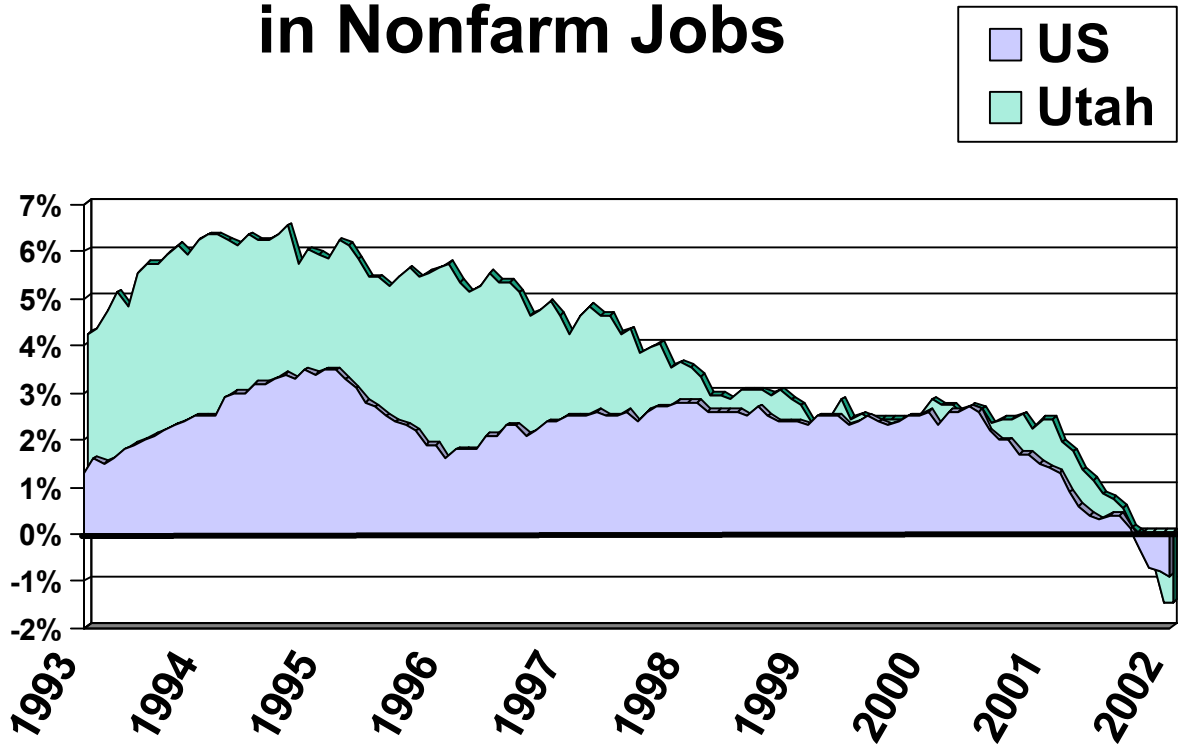
and sanitary-services group have cumulated to a 2,800-job, 4.5 percent deficit over the past twelve 12 months.

Total employment in mining has fallen by 200 jobs from the December 2000 level. "Other mining and quarrying" (largely oil and gas extraction) added 400 jobs, but metal mining has lost 500 positions and coal mining lost 100. This division's current 7,700 employment total is near its all-time low and only a fraction of its 20,300 peak achieved in 1981.

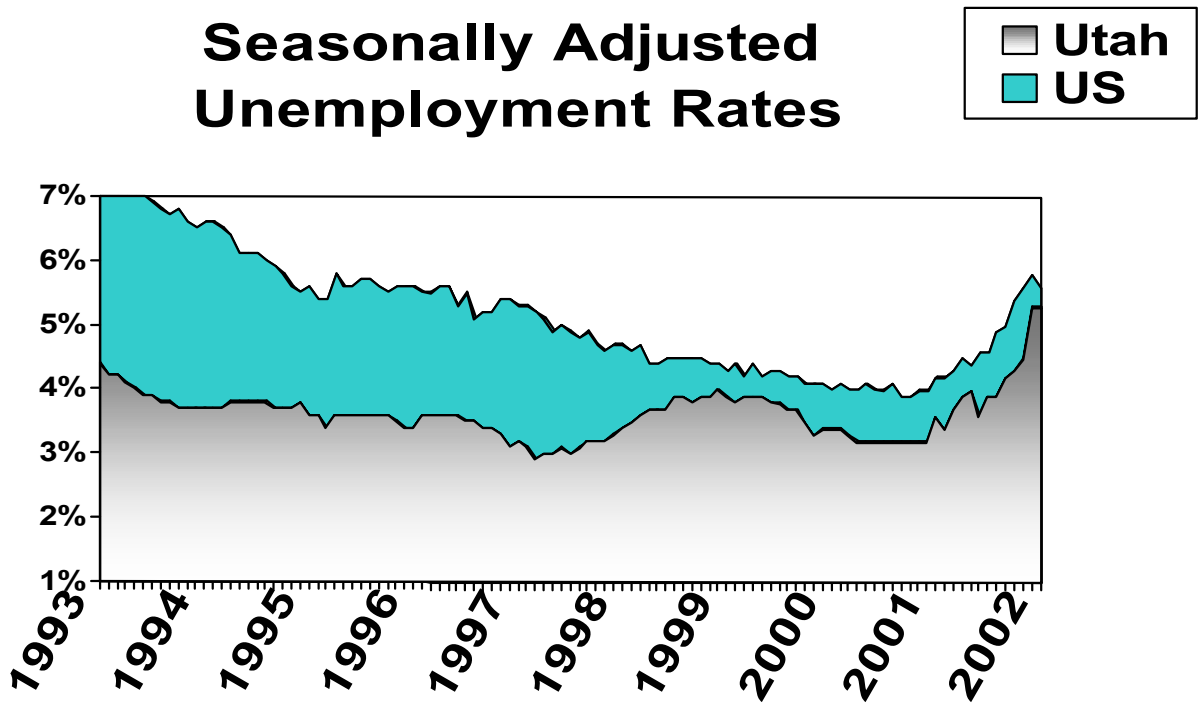
Government employers in Utah have 5,300 more staff than a year ago, an increase of 2.8 percent. The federal government's 6-percent expansion is due to equivalent increases in both defense installations and other federal agencies. State and local government aggregations grew by 2.6 percent and 1.9 percent, adding 1,500 and 1,900 jobs respectively. Over one-half of the increase in state was due to growth of education-related positions. Conversely, local government's education employment increase was minimal.

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Year-over Percent Change in Nonfarm Jobs



Seasonally Adjusted Unemployment Rates



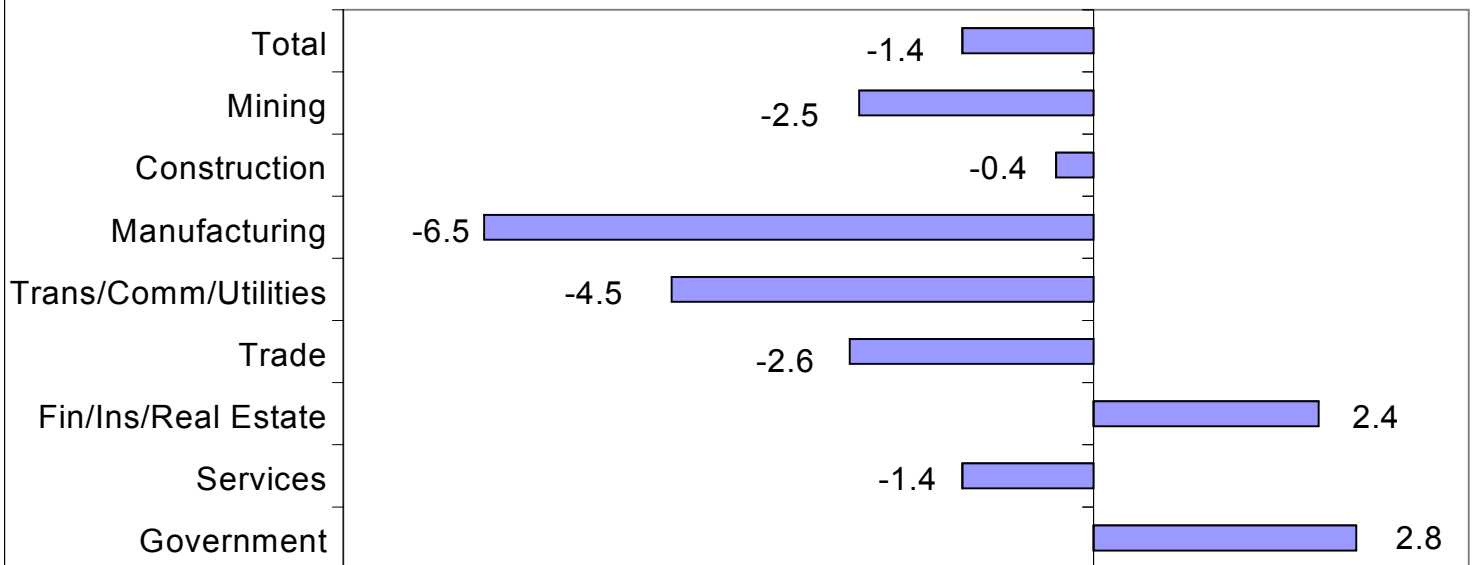
Utah Nonagricultural Jobs by Industry and Components of the Labor Force

Numbers are in thousands and are not seasonally adjusted.	December 2001	December 2000	Percentage Change	November 2001	November 2000	Percentage Change	October 2001
CIVILIAN LABOR FORCE	1,139.0	1,127.9	1.0	1,145.8	1,130.1	1.4	1,149.3
Employed	1,089.8	1,097.7	-0.7	1,100.3	1,096.5	0.3	1,102.4
Unemployed	49.2	30.2	62.9	45.5	33.6	35.4	46.9
Unemployment Rate	4.3	2.7		4.0	3.0		4.1
NONAGRICULTURAL EMPLOYMENT	1,085.6	1,102.2	-1.5	1,087.0	1,093.8	-0.6	1,087.0
Mining	7.7	7.9	-2.5	7.7	8.0	-3.8	7.8
Metal Mining	1.9	2.4	-20.8	1.9	2.4	-20.8	1.9
Bituminous Coal Mining	1.4	1.5	-6.7	1.4	1.6	-12.5	1.4
Other Mining	4.4	4.0	10.0	4.4	4.0	10.0	4.5
Construction	69.7	70.0	-0.4	73.2	71.6	2.2	74.8
Manufacturing	123.0	131.5	-6.5	124.7	131.7	-5.3	125.4
Durable Goods	81.2	87.9	-7.6	82.7	88.0	-6.0	82.9
Primary Metals	4.3	5.8	-25.9	5.5	5.9	-6.8	5.6
Fabricated Metals, Machinery, & Computers	20.1	21.9	-8.2	20.2	21.8	-7.3	20.2
Electrical/Electric Equipment (ex. Computers)	8.5	9.2	-7.6	8.6	9.0	-4.4	8.5
Transportation Equipment	13.2	15.1	-12.6	13.3	15.2	-12.5	13.5
Other Durable Goods	35.1	35.9	-2.2	35.1	36.1	-2.8	35.1
Non-durable Goods	41.8	43.6	-4.1	42.0	43.7	-3.9	42.5
Food & Kindred Products	12.9	12.8	0.8	13.0	12.8	1.6	13.0
Other Non-durable Goods	28.9	30.8	-6.2	29.0	30.9	-6.1	29.5
Transportation, Communication, & Utilities	59.3	62.1	-4.5	59.8	61.7	-3.1	60.4
Railroad Transportation	1.8	1.9	-5.3	1.8	1.9	-5.3	1.8
Trucking & Warehouse	19.9	21.1	-5.7	20.1	21.1	-4.7	20.4
Transportation by Air	14.9	15.3	-2.6	15.1	15.1	0.0	15.1
Other Transportation & Related Services	5.2	5.2	0.0	5.2	5.0	4.0	5.3
Communications	10.7	11.7	-8.5	10.8	11.7	-7.7	10.9
Electricity, Gas, & Sanitary Services	6.8	6.9	-1.4	6.8	6.9	-1.4	6.9
Trade	254.8	261.7	-2.6	252.7	258.3	-2.2	250.0
Wholesale Trade	50.4	52.9	-4.7	50.6	52.5	-3.6	50.6
Retail Trade	204.4	208.8	-2.1	202.1	205.8	-1.8	199.4
Food Stores	30.2	32.1	-5.9	30.2	31.9	-5.3	30.4
Auto Dealers/Parts Stores, & Gas Stations	23.4	22.9	2.2	23.4	23.1	1.3	23.5
Eating & Drinking Places	66.0	65.7	0.5	66.1	65.2	1.4	66.3
Home Furniture/Equipment & Clothing Stores	21.3	22.3	-4.5	20.4	21.3	-4.2	19.5
Gen. Merchandise, Building & Garden Supply	35.3	36.9	-4.3	34.8	36.2	-3.9	33.4
Miscellaneous Retail	28.2	28.9	-2.4	27.2	28.1	-3.2	26.3
Finance, Insurance, & Real Estate	60.6	59.2	2.4	60.4	58.4	3.4	60.4
Depository Institutions	17.5	17.4	0.6	17.5	17.2	1.7	17.5
Other Finance, Insurance, & Real Estate	43.1	41.8	3.1	42.9	41.2	4.1	42.9
Services	316.4	321.0	-1.4	314.0	315.5	-0.5	315.0
Hotels & Other Lodging Places	17.5	17.6	-0.6	17.4	17.4	0.0	18.0
Personal, Entertainment & Recreational	34.2	33.5	2.1	32.2	30.7	4.9	31.9
Computer-Related Business Services	26.3	30.7	-14.3	26.3	30.7	-14.3	26.2
Other Business Services	59.8	64.3	-7.0	58.8	63.5	-7.4	59.0
Auto Repair/Rental/Parking	11.2	11.3	-0.9	11.2	11.3	-0.9	11.4
Health Services	68.7	67.3	2.1	68.6	65.8	4.3	68.5
Education, Social, & Membership Organizations	57.8	56.5	2.3	57.8	56.1	3.0	57.2
Legal & Miscellaneous Services	6.4	6.1	4.9	6.4	6.1	4.9	6.4
Engineering, Accounting & Management	24.9	24.7	0.8	24.9	24.4	2.0	25.0
Other Repair, Ag. Services, & Museums	9.6	9.0	6.7	10.4	9.5	9.5	11.4
Government	194.1	188.8	2.8	194.5	188.6	3.1	193.2
Federal Government	33.7	31.8	6.0	33.6	31.3	7.3	33.9
U.S. Defense	14.2	13.4	6.0	14.2	13.4	6.0	14.1
Other Federal	19.5	18.4	6.0	19.4	17.9	8.4	19.8
State Government	60.3	58.8	2.6	60.9	59.4	2.5	60.3
State Schools	34.1	33.0	3.3	34.5	33.5	3.0	33.7
Other State	26.2	25.8	1.6	26.4	25.9	1.9	26.6
Local Government	100.1	98.2	1.9	100.0	97.9	2.1	99.0
Local Education	62.2	62.0	0.3	61.8	61.5	0.5	60.4
Other Local	37.9	36.2	4.7	38.2	36.4	4.9	38.6
Private Sector	891.5	913.4	-2.4	892.5	905.2	-1.4	893.8

Note: The nonagricultural employment data for 2001 have been revised; the labor force data have not.

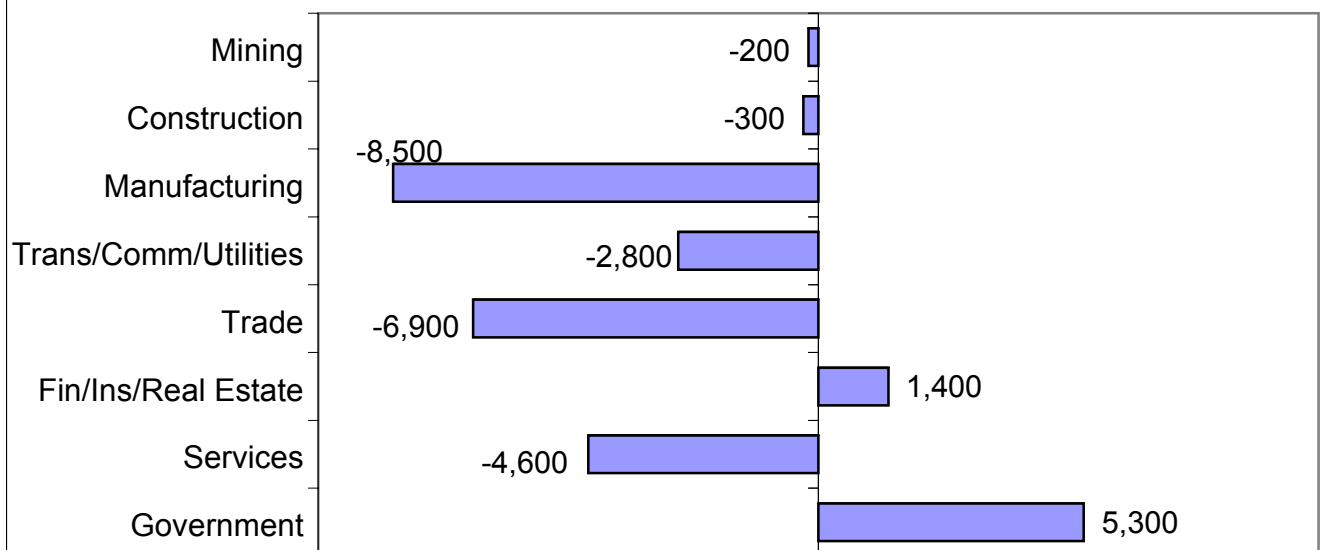
Source: Utah Department of Workforce Services, Workforce Information.

Percent Change in Nonfarm Jobs December 2000-2001



Source: Utah DWS

Nonfarm Job Change December 2000-2001



Source: Utah DWS

HOURS AND EARNINGS - UTAH

Hours and Earnings for Production and Nonsupervisory Personnel

	Average Hourly Earnings				Average Weekly Hours				Average Weekly Earnings			
	December		% Chg.	November	December		% Chg.	November	December		% Chg.	November
	2001(p)	2000			2001(p)	2000			2001(p)	2000		
Mining	\$19.30	\$18.98	1.7	\$19.44	42.7	42.8	-0.2	42.7	\$824.11	\$812.34	1.4	\$830.09
Metal Mining	19.33	19.16	0.9	19.43	44.6	46.4	-3.9	44.6	862.12	889.02	-3.0	866.58
Manufacturing	14.13	13.97	1.1	13.97	38.8	40.1	-3.2	38.8	548.24	560.20	-2.1	542.04
Durable Goods	14.69	14.62	0.5	14.45	38.9	40.5	-4.0	38.9	571.44	592.11	-3.5	562.11
Primary Metals	21.05	21.91	-3.9	21.75	42.8	44.3	-3.4	42.8	900.94	970.61	-7.2	930.90
Fabricated Metal Prod. & Mach.	15.80	14.81	6.7	15.39	36.7	37.3	-1.6	36.7	579.86	552.41	5.0	564.81
Transportation Equipment	18.17	16.86	7.8	17.02	41.0	42.8	-4.2	41.0	744.97	721.61	3.2	697.82
Nondurable Goods	12.82	12.42	3.2	12.84	38.6	39.1	-1.3	38.6	494.85	485.62	1.9	495.62
Food and Kindred Products	12.23	12.02	1.7	12.13	40.5	41.4	-2.2	40.5	495.32	497.63	-0.5	491.27
Trade	11.22	10.83	3.6	11.11	29.2	29.9	-2.3	29.2	327.62	323.82	1.2	324.41
Wholesale	14.21	14.71	-3.4	13.96	39.0	40.5	-3.7	39.0	554.19	595.76	-7.0	544.44
Retail	10.30	9.56	7.7	10.21	27.1	27.6	-1.8	27.1	279.13	263.86	5.8	276.69
General Merchandise	9.63	9.30	3.5	9.72	29.2	28.3	3.2	29.2	281.20	263.19	6.8	283.82
Food Stores	11.41	10.78	5.8	11.39	29.3	29.3	0.0	29.3	334.31	315.85	5.8	333.73

HOURS AND EARNINGS - Salt Lake City - Ogden MSA

	Average Hourly Earnings				Average Weekly Hours				Average Weekly Earnings			
	December		% Chg.	November	December		% Chg.	November	December		% Chg.	November
	2001(p)	2000			2001(p)	2000			2001(p)	2000		
Mining	\$19.62	\$19.83	-1.1	\$19.63	42.7	42.0	1.7	42.8	\$837.77	\$832.86	0.6	\$840.16
Manufacturing	14.17	13.92	1.8	13.80	38.4	37.0	3.8	37.4	544.13	515.04	5.6	516.12
Durable Goods	14.24	13.81	3.1	13.75	38.4	36.6	4.9	36.9	546.82	505.45	8.2	507.38
Nondurable Goods	14.01	14.19	-1.3	13.92	38.5	38.0	1.3	38.6	539.39	539.22	0.0	537.31
Trade	11.57	11.67	-0.9	11.46	30.4	30.1	1.0	29.8	351.73	351.27	0.1	341.51
Wholesale	14.39	14.71	-2.2	14.27	39.5	38.5	2.6	38.1	568.41	566.34	0.4	543.69
Retail	10.53	10.55	-0.2	10.40	28.0	27.8	0.7	27.5	294.84	293.29	0.5	286.00

Source: Utah Department of Workforce Services, Workforce Information.

NONAGRICULTURAL EMPLOYMENT BY INDUSTRY and COMPONENTS OF THE LABOR FORCE OF UTAH'S METROPOLITAN AREAS

Numbers are in thousands, not seasonally adjusted.	Salt Lake City - Ogden MSA					Provo - Orem MSA				
	December		Percentage Change	Nov. 2001	Oct. 2001	December		Percentage Change	Nov. 2001	Oct. 2001
	2001(p)	2000				2001(p)	2000			
Civilian Labor Force	733.9	721.7	1.7	734.9	734.4	175.4	169.9	3.2	178.5	178.9
Employed	703.5	703.0	0.1	706.0	703.8	167.8	165.5	1.4	172.2	172.6
Unemployed	30.4	18.7	62.6	28.9	30.6	7.7	4.4	75.0	6.3	6.3
Unemployment Rate	4.1	2.6	--	3.9	4.2	4.4	2.6	--	3.5	3.5
Total Nonagricultural Employment	722.7	735.4	-1.7	722.5	719.6	155.4	158.3	-1.8	157.3	156.1
Mining	2.4	2.9	-17.2	2.5	2.5	0.1	0.1	0.0	0.1	0.1
Construction	43.4	45.9	-5.4	45.7	46.9	10.7	10.3	3.9	11.0	11.1
Manufacturing	78.7	83.0	-5.2	78.5	79.1	17.4	19.6	-11.2	18.8	18.8
Durable Goods	53.7	57.1	-6.0	53.6	53.8	9.6	11.4	-15.8	10.9	10.9
Non-durable Goods	25.0	25.9	-3.5	24.9	25.3	7.8	8.2	-4.9	7.9	7.9
Trans., Comm., & Utilities	46.6	49.8	-6.4	47.1	47.3	2.6	2.6	0.0	2.6	2.6
Trade	170.4	175.8	-3.1	168.6	166.2	34.5	35.4	-2.5	34.4	33.7
Wholesale Trade	39.7	41.2	-3.6	39.8	39.8	5.5	6.1	-9.8	5.6	5.6
Retail Trade	130.7	134.6	-2.9	128.8	126.4	29.0	29.3	-1.0	28.8	28.1
Finance, Insur., & Real Estate	49.7	48.7	2.1	49.8	49.4	5.0	4.6	8.7	5.0	5.0
Services	208.0	209.0	-0.5	206.8	205.7	62.8	64.3	-2.3	62.9	62.6
Government	123.5	120.0	2.9	123.5	122.5	22.3	21.4	4.2	22.5	22.2
Federal Government	27.2	25.7	5.8	26.9	27.1	1.1	1.1	0.0	1.1	1.1
State Government	40.6	39.8	2.0	41.2	41.0	5.8	5.6	3.6	5.9	5.9
Local Government	55.7	54.8	1.6	55.4	54.4	15.4	14.7	4.8	15.5	15.2
Private Sector	599.2	615.4	-2.6	599.0	597.1	133.1	136.9	-2.8	134.8	133.9

Notes: The Salt Lake City-Ogden Metropolitan Statistical Area (MSA) is comprised of Salt Lake, Davis, and Weber counties.

The Provo-Orem MSA is Utah County. Nonagricultural employment data are revised; labor force estimates are not.

Nonagricultural employment data are revised; labor force estimates are not.

Source: Utah Department of Workforce Services, Workforce Information, 02/04/02.

NONFARM EMPLOYMENT IN UTAH'S COUNTIES

	December <u>2001(r)</u>	December <u>2000</u>	Percent <u>Change</u>	November <u>2001(r)</u>	October <u>2001(r)</u>
State Total	1,085,600	1,102,073	-1.5	1,092,200	1,097,600
Bear River	61,053	62,062	-1.6	60,646	61,278
Box Elder	16,978	17,824	-4.7	16,992	17,441
Cache	43,625	43,768	-0.3	43,212	43,357
Rich	450	470	-4.3	442	480
Wasatch Front	735,800	748,733	-1.7	742,723	744,411
North	177,674	175,808	1.1	177,376	177,666
Davis	88,464	86,144	2.7	88,524	88,774
Morgan	1,556	1,534	1.4	1,591	1,628
Weber	87,654	88,130	-0.5	87,262	87,264
South	558,126	572,925	-2.6	565,347	566,746
Salt Lake	546,582	561,397	-2.6	553,815	555,162
Tooele	11,544	11,528	0.1	11,532	11,583
Mountainland	177,706	180,696	-1.7	176,906	176,797
Summit	17,714	17,643	0.4	14,676	14,365
Utah	155,400	158,415	-1.9	157,600	157,600
Wasatch	4,593	4,638	-1.0	4,630	4,831
Central	21,024	21,396	-1.7	21,165	21,660
Juab	2,626	2,542	3.3	2,620	2,682
Millard	3,392	3,473	-2.3	3,417	3,483
Piute	282	242	16.7	275	286
Sanpete	6,801	7,069	-3.8	6,837	6,925
Sevier	6,933	7,082	-2.1	6,981	7,133
Wayne	990	988	0.3	1,036	1,151
Southwestern	55,364	54,854	0.9	55,515	56,917
Beaver	1,770	1,844	-4.0	1,748	1,802
Garfield	1,715	1,742	-1.6	1,882	2,319
Iron	14,147	14,639	-3.4	13,963	14,019
Kane	2,571	2,515	2.2	2,775	3,026
Washington	35,162	34,114	3.1	35,147	35,751
Uintah Basin	15,429	14,819	4.1	15,485	15,858
Daggett	307	361	-14.9	341	413
Duchesne	5,240	4,889	7.2	5,263	5,355
Uintah	9,881	9,569	3.3	9,880	10,090
Southeastern	19,223	19,513	-1.5	19,761	20,679
Carbon	8,934	8,688	2.8	8,928	9,088
Emery	3,126	3,468	-9.9	3,167	3,245
Grand	3,545	3,551	-0.2	3,970	4,463
San Juan	3,619	3,806	-4.9	3,696	3,883
Salt Lake-Ogden MSA	722,700	735,671	-1.8	729,600	731,200

p = preliminary r = revised but not final.

Note: Numbers have been left unrounded for convenience rather than to denote accuracy.

Source: Utah Department of Workforce Services, Workforce Information, 02/04/02.

Seasonally Adjusted Unemployment Rates in Utah's Counties

	December <u>2001(p)</u>	November <u>2001(p)</u>	October <u>2001(p)</u>	December <u>2000(p)</u>
State Total	5.3	4.5	4.3	3.2
Bear River	4.2	3.8	3.7	3.2
Box Elder	6.2	5.4	5.5	4.8
Cache	3.4	3.2	3.1	2.6
Rich	4.8	3.6	2.7	3.2
Wasatch Front	4.7	4.2	4.2	3.2
North	4.6	4.0	4.0	3.4
Davis	4.0	3.5	3.5	2.9
Morgan	4.5	3.4	3.6	3.5
Weber	5.3	4.6	4.6	4.1
South	4.8	4.3	4.3	3.1
Salt Lake	4.7	4.2	4.2	3.0
Tooele	8.2	7.0	7.2	5.7
Mountainland	5.2	4.0	3.9	2.7
Summit	6.9	6.7	6.1	3.9
Utah	5.0	3.7	3.7	2.6
Wasatch	6.8	5.7	4.8	4.8
Central	6.0	5.1	5.0	4.5
Juab	6.3	4.9	4.4	3.3
Millard	5.7	5.3	6.3	4.0
Piute	8.7	7.2	6.0	5.6
Sanpete	6.4	5.5	5.3	5.2
Sevier	5.5	4.6	4.1	4.5
Wayne	5.2	4.6	4.7	4.5
Southwestern	4.3	3.8	3.9	3.2
Beaver	4.0	4.0	3.8	3.2
Garfield	9.0	7.9	9.4	6.9
Iron	4.7	4.1	4.3	3.1
Kane	4.1	3.3	3.1	1.7
Washington	3.9	3.5	3.4	3.1
Uintah Basin	6.1	5.4	5.0	4.9
Daggett	3.7	3.1	4.4	4.0
Duchesne	7.5	6.6	6.1	5.8
Uintah	5.5	4.9	4.4	4.5
Southeastern	7.7	7.0	6.6	6.7
Carbon	6.8	5.8	4.6	6.1
Emery	9.9	8.9	8.3	7.3
Grand	6.4	6.2	6.7	5.7
San Juan	9.3	8.6	8.6	8.7
Salt Lake-Ogden MSA	4.7	4.1	4.2	3.1
United States	5.8	5.6	5.4	4.0

p=preliminary. The 2001 and 2000 estimates will be revised in March or April 2002.

Source: Utah Department of Workforce Services, Workforce Information.



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UTAH LABOR MARKET REPORT

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NOTES

(f) - forecast
(p) - preliminary
(r) - revised
Salt Lake - Ogden Metropolitan
Statistical Area (MSA) -- Salt Lake,
Davis, and Weber counties.
Provo-Orem MSA -- Utah County

MISSION STATEMENT

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of the employers, job seekers, and the community.